

AMENDED IN SENATE APRIL 11, 2005

SENATE BILL

No. 1071

Introduced by Senator McClintock

February 22, 2005

An act to amend Section 11453 of, to repeal Sections 11450.01, 11450.015, 11450.017, and 11450.018 of, and to repeal and amend Section 11450 of, and to repeal and amend Section 11450.015, and 11450.017 of, to repeal and amend Section 11450 of, and to repeal and add Section 11450.018 of, the Welfare and Institutions Code, relating to human services, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1071, as amended, McClintock. CalWORKs: Cola elimination.

Under existing law, cash assistance under the CalWORKs program is provided by each county through a combination of county, state, and federal funds. State funds are continuously appropriated to pay for a share of CalWORKs program aid grant costs.

Under existing law, with specified exceptions, an annual cost-of-living adjustment is required to be provided in maximum aid payment amounts prescribed under the CalWORKs program.

This bill would, commencing July 1, 2005, establish specified maximum aid grant payment amounts under the CalWORKs program. It would provide that these amounts may be adjusted only in those years in which the amounts for this purpose are expressly allocated in the annual Budget Act.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 11450 of the Welfare and Institutions
2 Code, as amended by Section 18 of Chapter 147 of the Statutes
3 of 1999, is repealed.

4 SEC. 2. Section 11450 of the Welfare and Institutions Code,
5 as amended by Section 328 of Chapter 62 of the Statutes of 2003,
6 is amended to read:

7 11450. (a) Aid shall be paid for each needy family, which
8 shall include all eligible brothers and sisters of each eligible
9 applicant or recipient child and the parents of the children, but
10 shall not include unborn children, or recipients of aid under
11 Chapter 3 (commencing with Section 12000), qualified for aid
12 under this chapter. In determining the amount of aid paid, and
13 notwithstanding the minimum basic standards of adequate care
14 specified in Section 11452, the family’s income, exclusive of any
15 amounts considered exempt as income or paid pursuant to
16 subdivision (e) or Section 11453.1, averaged for the prospective
17 quarter pursuant to Sections 11265.2 and 11265.3, and then
18 calculated pursuant to Section 11451.5, shall be deducted from
19 the sum specified in the following table, as adjusted for
20 cost-of-living increases pursuant to Section 11453. In no case,
21 including as a result of a court decision or settlement agreement,
22 shall the amount of aid paid for each month exceed the sum
23 specified in the following table, as adjusted for cost-of-living
24 increases pursuant to Section 11453, plus any special needs, as
25 specified in subdivisions (c), (e), and (f):

1	Number of	
2	eligible needy	
3	persons in	Maximum
4	the same home	aid
5	1.....	\$ 372
6	2.....	611
7	3.....	755
8	4.....	899
9	5.....	1,023
10	6.....	1,149
11	7.....	1,262
12	8.....	1,377
13	9.....	1,488
14	10 or more.....	1,598

15
16 (b) When the family does not include a needy child qualified
17 for aid under this chapter, aid shall be paid to a pregnant mother
18 for the month in which the birth is anticipated and for the
19 three-month period immediately prior to the month in which the
20 birth is anticipated in the amount that would otherwise be paid to
21 one person, as specified in subdivision (a), if the mother, and
22 child, if born, would have qualified for aid under this chapter.
23 Verification of pregnancy shall be required as a condition of
24 eligibility for aid under this subdivision. Aid shall also be paid to
25 a pregnant woman with no other children in the amount which
26 would otherwise be paid to one person under subdivision (a) at
27 any time after verification of pregnancy if the pregnant woman is
28 also eligible for the Cal-Learn Program described in Article 3.5
29 (commencing with Section 11331) and if the mother, and child, if
30 born, would have qualified for aid under this chapter.

31 (c) The amount of forty-seven dollars (\$47) per month shall be
32 paid to pregnant mothers qualified for aid under subdivision (a)
33 or (b) to meet special needs resulting from pregnancy if the
34 mother, and child, if born, would have qualified for aid under this
35 chapter. County welfare departments shall refer all recipients of
36 aid under this subdivision to a local provider of the Women,
37 Infants and Children program. If that payment to pregnant
38 mothers qualified for aid under subdivision (a) is considered
39 income under federal law in the first five months of pregnancy,
40 payments under this subdivision shall not apply to persons

1 eligible under subdivision (a), except for the month in which
2 birth is anticipated and for the three-month period immediately
3 prior to the month in which delivery is anticipated, if the mother,
4 and the child, if born, would have qualified for aid under this
5 chapter.

6 (d) For children receiving AFDC-FC under this chapter, there
7 shall be paid, exclusive of any amount considered exempt as
8 income, an amount of aid each month which, when added to the
9 child's income, is equal to the rate specified in Section 11460,
10 11461, 11462, 11462.1, or 11463. In addition, the child shall be
11 eligible for special needs, as specified in departmental
12 regulations.

13 (e) In addition to the amounts payable under subdivision (a)
14 and Section 11453.1, a family shall be entitled to receive an
15 allowance for recurring special needs not common to a majority
16 of recipients. These recurring special needs shall include, but not
17 be limited to, special diets upon the recommendation of a
18 physician for circumstances other than pregnancy, and unusual
19 costs of transportation, laundry, housekeeping service, telephone,
20 and utilities. The recurring special needs allowance for each
21 family per month shall not exceed that amount resulting from
22 multiplying the sum of ten dollars (\$10) by the number of
23 recipients in the family who are eligible for assistance.

24 (f) After a family has used all available liquid resources, both
25 exempt and nonexempt, in excess of one hundred dollars (\$100),
26 the family shall also be entitled to receive an allowance for
27 nonrecurring special needs.

28 (1) An allowance for nonrecurring special needs shall be
29 granted for replacement of clothing and household equipment
30 and for emergency housing needs other than those needs
31 addressed by paragraph (2). These needs shall be caused by
32 sudden and unusual circumstances beyond the control of the
33 needy family. The department shall establish the allowance for
34 each of the nonrecurring special need items. The sum of all
35 nonrecurring special needs provided by this subdivision shall not
36 exceed six hundred dollars (\$600) per event.

37 (2) Homeless assistance is available to a homeless family
38 seeking shelter when the family is eligible for aid under this
39 chapter. Homeless assistance for temporary shelter is also
40 available to homeless families which are apparently eligible for

1 aid under this chapter. Apparent eligibility exists when evidence
2 presented by the applicant or which is otherwise available to the
3 county welfare department and the information provided on the
4 application documents indicate that there would be eligibility for
5 aid under this chapter if the evidence and information were
6 verified. However, an alien applicant who does not provide
7 verification of his or her eligible alien status, or a woman with no
8 eligible children who does not provide medical verification of
9 pregnancy, is not apparently eligible for purposes of this section.

10 A family is considered homeless, for the purpose of this
11 section, when the family lacks a fixed and regular nighttime
12 residence; or the family has a primary nighttime residence that is
13 a supervised publicly or privately operated shelter designed to
14 provide temporary living accommodations; or the family is
15 residing in a public or private place not designed for, or
16 ordinarily used as, a regular sleeping accommodation for human
17 beings.

18 (A) (i) A nonrecurring special need of forty dollars (\$40) a
19 day shall be available to families for the costs of temporary
20 shelter, subject to the requirements of this paragraph. County
21 welfare departments may increase the daily amount available for
22 temporary shelter to large families as necessary to secure the
23 additional bed space needed by the family.

24 (ii) This special need shall be granted or denied immediately
25 upon the family's application for homeless assistance, and
26 benefits shall be available for up to three working days. The
27 county welfare department shall verify the family's homelessness
28 within the first three working days and if the family meets the
29 criteria of questionable homelessness established by the
30 department, the county welfare department shall refer the family
31 to its early fraud prevention and detection unit, if the county has
32 such a unit, for assistance in the verification of homelessness
33 within this period.

34 (iii) After homelessness has been verified, the three-day limit
35 shall be extended for a period of time which, when added to the
36 initial benefits provided, does not exceed a total of 16 calendar
37 days. This extension of benefits shall be done in increments of
38 one week and shall be based upon searching for permanent
39 housing which shall be documented on a housing search form;
40 good cause; or other circumstances defined by the department.

1 Documentation of housing search shall be required for the initial
2 extension of benefits beyond the three-day limit and on a weekly
3 basis thereafter as long as the family is receiving temporary
4 shelter benefits. Good cause shall include, but is not limited to,
5 situations in which the county welfare department has
6 determined that the family, to the extent it is capable, has made a
7 good faith but unsuccessful effort to secure permanent housing
8 while receiving temporary shelter benefits.

9 (B) A nonrecurring special need for permanent housing
10 assistance is available to pay for last month's rent and security
11 deposits when these payments are reasonable conditions of
12 securing a residence.

13 The last month's rent portion of the payment (1) shall not
14 exceed 80 percent of the family's maximum aid payment without
15 special needs for a family of that size and (2) shall only be made
16 to families that have found permanent housing costing no more
17 than 80 percent of the family's maximum aid payment without
18 special needs for a family of that size, in accordance with the
19 maximum aid schedule specified in subdivision (a).

20 However, if the county welfare department determines that a
21 family intends to reside with individuals who will be sharing
22 housing costs, the county welfare department shall, in
23 appropriate circumstances, set aside the condition specified in
24 clause (2) of the preceding paragraph.

25 (C) The nonrecurring special need for permanent housing
26 assistance is also available to cover the standard costs of deposits
27 for utilities which are necessary for the health and safety of the
28 family.

29 (D) A payment for or denial of permanent housing assistance
30 shall be issued no later than one working day from the time that a
31 family presents evidence of the availability of permanent
32 housing. If an applicant family provides evidence of the
33 availability of permanent housing before the county welfare
34 department has established eligibility for aid under this chapter,
35 the county welfare department shall complete the eligibility
36 determination so that the denial of or payment for permanent
37 housing assistance is issued within one working day from the
38 submission of evidence of the availability of permanent housing,
39 unless the family has failed to provide all of the verification
40 necessary to establish eligibility for aid under this chapter.

1 (E) (i) Except as provided in clauses (ii) and (iii), eligibility
2 for the temporary shelter assistance and the permanent housing
3 assistance pursuant to this paragraph shall be limited to one
4 period of up to 16 consecutive calendar days of temporary
5 assistance and one payment of permanent assistance. Any family
6 that includes a parent or nonparent caretaker relative living in the
7 home who has previously received temporary or permanent
8 homeless assistance at any time on behalf of an eligible child
9 shall not be eligible for further homeless assistance. Any person
10 who applies for homeless assistance benefits shall be informed
11 that the temporary shelter benefit of up to 16 consecutive days is
12 available only once in a lifetime, with certain exceptions, and
13 that a break in the consecutive use of the benefit constitutes
14 permanent exhaustion of the temporary benefit.

15 (ii) A family that becomes homeless as a direct and primary
16 result of a state or federally declared natural disaster shall be
17 eligible for temporary and permanent homeless assistance.

18 (iii) A family shall be eligible for temporary and permanent
19 homeless assistance when homelessness is a direct result of
20 domestic violence by a spouse, partner, or roommate; physical or
21 mental illness that is medically verified that shall not include a
22 diagnosis of alcoholism, drug addiction, or psychological stress;
23 or, the uninhabitability of the former residence caused by sudden
24 and unusual circumstances beyond the control of the family
25 including natural catastrophe, fire, or condemnation. These
26 circumstances shall be verified by a third-party governmental or
27 private health and human services agency and homeless
28 assistance payments based on these specific circumstances may
29 not be received more often than once in any 12-month period. A
30 county may require that a recipient of homeless assistance
31 benefits who qualifies under this paragraph for a second time in a
32 24-month period participate in a homelessness avoidance case
33 plan as a condition of eligibility for homeless assistance benefits.

34 (iv) The county welfare department shall report to the
35 department through a statewide homeless assistance payment
36 indicator system, necessary data, as requested by the department,
37 regarding all recipients of aid under this paragraph.

38 (F) The county welfare departments, and all other entities
39 participating in the costs of the AFDC program, have the right in
40 their share to any refunds resulting from payment of the

1 permanent housing. However, if an emergency requires the
2 family to move within the 12-month period specified in
3 subparagraph (E), the family shall be allowed to use any refunds
4 received from its deposits to meet the costs of moving to another
5 residence.

6 (G) Payments to providers for temporary shelter and
7 permanent housing and utilities shall be made on behalf of
8 families requesting these payments.

9 (H) The daily amount for the temporary shelter special need
10 for homeless assistance may be increased if authorized by the
11 current year's Budget Act by specifying a different daily
12 allowance and appropriating the funds therefor.

13 (I) No payment shall be made pursuant to this paragraph
14 unless the provider of housing is a commercial establishment,
15 shelter, or person in the business of renting properties who has a
16 history of renting properties.

17 (g) The department shall establish rules and regulations
18 assuring the uniform application statewide of this subdivision.

19 (h) The department shall notify all applicants and recipients of
20 aid through the standardized application form that these benefits
21 are available and shall provide an opportunity for recipients to
22 apply for the funds quickly and efficiently.

23 (i) Except for the purposes of Section 15200, the amounts
24 payable to recipients pursuant to Section 11453.1 shall not
25 constitute part of the payment schedule set forth in subdivision
26 (a).

27 The amounts payable to recipients pursuant to Section 11453.1
28 shall not constitute income to recipients of aid under this section.

29 (j) For children receiving Kin-GAP pursuant to Article 4.5
30 (commencing with Section 11360) of Chapter 2, there shall be
31 paid, exclusive of any amount considered exempt as income, an
32 amount of aid each month, which, when added to the child's
33 income, is equal to the rate specified in Section 11364.

34 SEC. 3. Section 11450.01 of the Welfare and Institutions
35 Code is repealed.

36 SEC. 4. Section 11450.015 of the Welfare and Institutions
37 Code is repealed.

38 SEC. 5. Section 11450.017 of the Welfare and Institutions
39 Code is repealed.

1 SEC. 6. Section 11450.018 of the Welfare and Institutions
2 Code is repealed.

3 *SEC. 6.5. Section 11450.018 is added to the Welfare and*
4 *Institutions Code, to read:*

5 *11450.018. Notwithstanding any other provision of law, the*
6 *maximum aid payment in accordance with paragraph (1) of*
7 *subdivision (a) of Section 11450 shall be reduced by 4.9 percent*
8 *for counties in Region 2, as specified in Section 11452.018.*

9 SEC. 7. Section 11453 of the Welfare and Institutions Code is
10 amended to read:

11 11453. (a) Except as provided in subdivision (c), the
12 amounts set forth in Section 11452 shall be adjusted annually by
13 the department to reflect any increases or decreases in the cost of
14 living. These adjustments shall become effective October 1 of
15 each year or the first day of the month following 90 days after the
16 annual Budget Act becomes effective, whichever is later, unless
17 otherwise specified by the Legislature. The amounts set forth in
18 subdivision (a) of Section 11450 shall be adjusted only in those
19 years in which amounts for this purpose are expressly allocated
20 in the annual Budget Act. Adjustment to the amounts set forth in
21 subdivision (a) of Section 11450 shall become effective October
22 1 of each year or, 90 days after the first day of the month after
23 the annual Budget Act becomes effective whichever is later. For
24 the 2000–01 fiscal year to the 2003–04 fiscal year, inclusive, the
25 adjustments to the amounts in Section 11452 and subdivision (a)
26 of Section 11450 shall become effective October 1 of each year.
27 The cost-of-living adjustment shall be calculated by the
28 Department of Finance based on the changes in the California
29 Necessities Index, which as used in this section means the
30 weighted average changes for food, clothing, fuel, utilities, rent,
31 and transportation for low-income consumers. The computation
32 of annual adjustments in the California Necessities Index shall be
33 made in accordance with the following steps:

34 (1) The base period expenditure amounts for each expenditure
35 category within the California Necessities Index used to compute
36 the annual grant adjustment are:

1	Food.....	\$ 3,027
2	Clothing (apparel and upkeep).....	406
3	Fuel and other utilities.....	529
4	Rent, residential.....	4,883
5	Transportation.....	1,757
6		
7	Total.....	<u>\$10,602</u>

8
9 (2) Based on the appropriate components of the Consumer
10 Price Index for All Urban Consumers, as published by the United
11 States Department of Labor, Bureau of Labor Statistics, the
12 percentage change shall be determined for the 12-month period
13 ending with the December preceding the year for which the
14 cost-of-living adjustment will take effect, for each expenditure
15 category specified in subdivision (a) within the following
16 geographical areas: Los Angeles-Long Beach-Anaheim, San
17 Francisco-Oakland, San Diego, and, to the extent statistically
18 valid information is available from the Bureau of Labor
19 Statistics, additional geographical areas within the state which
20 include not less than 80 percent of recipients of aid under this
21 chapter.

22 (3) Calculate a weighted percentage change for each of the
23 expenditure categories specified in subdivision (a) using the
24 applicable weighting factors for each area used by the State
25 Department of Industrial Relations to calculate the California
26 Consumer Price Index (CCPI).

27 (4) Calculate a category adjustment factor for each
28 expenditure category in subdivision (a) by (1) adding 100 to the
29 applicable weighted percentage change as determined in
30 paragraph (2) and (2) dividing the sum by 100.

31 (5) Determine the expenditure amounts for the current year by
32 multiplying each expenditure amount determined for the prior
33 year by the applicable category adjustment factor determined in
34 paragraph (4).

35 (6) Determine the overall adjustment factor by dividing (1) the
36 sum of the expenditure amounts as determined in paragraph (4)
37 for the current year by (2) the sum of the expenditure amounts as
38 determined in subdivision (d) for the prior year.

39 (b) The overall adjustment factor determined by the preceding
40 computation steps shall be multiplied by the schedules

1 established pursuant to Section 11452 and subdivision (a) of
2 Section 11450 as are in effect during the month of June
3 preceding the fiscal year in which the adjustments are to occur
4 and the product rounded to the nearest dollar. The resultant
5 amounts shall constitute the new schedules which shall be filed
6 with the Secretary of State.

7 (c) No adjustment to the minimum basic standard of adequate
8 care set forth in Section 11452 shall be made under this section
9 for the purpose of increasing the benefits under this chapter for
10 the 1990–91 and 1991–92 fiscal years to reflect any change in the
11 cost of living.

12 (d) For the 2004–05 fiscal year, the adjustment to the
13 maximum aid payment set forth in subdivision (a) shall be
14 suspended for three months commencing on the first day of the
15 first month following the effective date of the act adding this
16 subdivision.

17 (e) Adjustments for subsequent fiscal years pursuant to this
18 section shall not include any adjustments for any fiscal year in
19 which the cost of living was suspended pursuant to subdivision
20 (c).

21 SEC. 8. This act is an urgency statute necessary for the
22 immediate preservation of the public peace, health, or safety
23 within the meaning of Article IV of the Constitution and shall go
24 into immediate effect. The facts constituting the necessity are:

25 In order to make the necessary statutory changes to implement
26 the Budget Act of 2005 at the earliest possible time, it is
27 necessary that this act take effect immediately.